REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL OPERATIONS OF TANA-RIVER COUNTY ASSEMBLY

FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015

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REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL OPERATIONS OF COUNTY ASSEMBLY OF TANA-RIVER FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2015

Executive Summary

Background Information

The Constitution of Kenya 2010, under Article 176, created the County Governments which include the County Executive and the County Assembly which is the legislative arm of the County Government and consists of the Speaker, elected and nominated Members of County Assembly. The Tana-River County Assembly which is domiciled in Hola Town has 15 elected and 11 nominated Members all totaling twenty six (26).

Introduction

This management and financial operations audit report covers the period 1 July 2014 to 30 June 2015. It was undertaken to assess the adequacy and reliability of the systems of management and financial control instituted by management of the County Assembly to run its affairs with emphasis on utilization of public resources.

Terms of Reference

The office of the Auditor-General is an independent office mandated by the Constitution under Article 229 to audit the accounts of the National and County Governments. In this regard, the office planned a management and financial operations audit of the County Assembly of Tana-River for the period 1 July 2014 to 30 June 2015 with the following audit objectives:

i. To assess management of assets under the control of the County Assembly.

ii. To assess compliance with the procurement laws in the process of acquisition of goods and/or services.

iii. To assess compliance with Public Finance Management Act, 2012 in the use of public funds.

iv. To ascertain the integrity and reliability of financial and other information used by management in the utilization of public funds; and,

v. To confirm that all necessary supporting documents, records, and accounts have been kept in respect of all transactions.

Methodology

The methods used to carry out the audit included the following:

i. Interviews with key officers at the County Assembly offices;

ii. Review of applicable legislation and regulations;

iii. Examination of payment vouchers and support documents, cash books, vote books, bank statements, bank-in slips, miscellaneous receipt books, procurement documents, stores records, asset records, asset registers and other related records;

iv. Review of minutes of various meetings where there were resolutions on use of public funds

v. Physical inspection and verifications;

vi. Observation of processes and activities; and,

vii. Review of documents used by management to monitor use of funds.

Scope and Determination of Responsibilities

The audit was conducted in accordance with International Standards on Supreme Audit Institutions (ISSAIs). The standards require that the audit is planned and performed so as to obtain reasonable evidence that, in all material respects, expenditure incurred is fairly stated and recording is achieved in all financial transactions.

The matters mentioned in this report are therefore those that were identified through tests considered necessary for the purpose of achieving the audit objectives and it is possible that there might be other matters and/ or weaknesses that were not identified. The formulation and maintenance of effective control measures and compliance with laws and regulations is the responsibility of the management. My responsibility is to report on the weaknesses and non-compliance with laws and regulations identified in the course of the audit.

The sections below highlight audit findings noted during the audit of the financial operations of the County Assembly of Tana River for the period 1 July 2014 to 30 June 2015.

Audit Findings

1.0 Budgetary Control and Performance Analysis

During the year under review, the County Assembly of Tana-River allocated a total of Kshs.122,500,000 to the development vote and Kshs.412,134,720 to the recurrent vote. Therefore the consolidated budget for the year totaled Kshs.534,634,720. The budget was absorbed as follows:

Item	Budgeted Allocation 2014/2015 (Kshs)	Actual 2014/2015 (Kshs)	Under Absorption (Kshs)	Absorption Ratio	As a Ratio of Total Expenditure
Recurrent	412,134,720	398,034,391	14,100,329	97%	80%
Development	122,500,000	98,396,826	24,103,174	80%	20%
Total	534,634,720	496,431,217	38,203,503	93%	100%

1.1.1. Development Vote

Records presented for audit indicated that out of the sum of Kshs.122,500,000 budgeted for under the development vote, the County Assembly spent a total of Kshs.98,396,826 and therefore recorded an under-expenditure of Kshs.24,103,174 or 20% of the budget. The County Assembly management has not explained why all funds budgeted for construction of buildings, purchase of hansard equipment, installation of CCTV cameras, store construction and design and commissioning of a website were not spent. On the other hand, the Assembly exceeded its budgets on refurbishment of buildings, purchase of vehicles and other transport equipment and on purchase of household furniture and institutional equipment. There was no evidence to show that excess expenditure was approved in line with the Public Finance Management Act, 2012.

Underspending on the development vote denies the Assembly infrastructure essential for use by the Members of the Assembly in serving the residents of the County of Tana River while failure to adhere to budget limits weakens financial control that the budget is intended to achieve. No plausible explanations have been provided by the management for these anomalies.

1.1.2. Recurrent Vote

Records made available for audit revealed that out of the recurrent vote budget totaling to Kshs.412,134,720, the County Assembly spent Kshs.398,034,391 on its recurrent programs and activities, hence recording an under-expenditure of Kshs.14,100,329 or 3% of the budget. Therefore the management made commendable effort to operate within its expenditure limits by spending 97% of its recurrent budget.

1.2. Salaries to Ward Staff

Records presented for audit revealed that the County Assembly spent a total of Kshs.10,159,229 on ward staff salaries during the year. It was further noted that the payments were not supported with the names of the payees, their designations and nature of appointment. Further, the County Assembly's staff recruitment and remuneration policy manual was not presented for audit review and in the circumstances, the audit could not establish how remuneration for the staff was determined.

1.3. Group Personal Insurance

Records made available for audit revealed that during the year under review, the County Assembly paid a health insurance service provider a total of Kshs.8,491,383 in respect of health insurance services for staff against a budgeted figure of Kshs.6,690,000 thus resulting in an over expenditure of Kshs.1,801,383. Further, tender documents presented for audit revealed that the contracted value of the services was Kshs.7,924,308. The audit further revealed that the County Assembly made cash

refunds totaling Kshs.567,091 to the intended beneficiaries of the insurance policy even though they were covered by the policy procured at Kshs.8,491,383.

Consequently, the propriety of total expenditure of Kshs.2,368,474 could not be ascertained for the year ended 30 June 2015.

1.4. Mileage Allowances

Records made available for audit indicated that during the year under review, the County Assembly spent Kshs.23,123,695 on mileage allowances paid to the Members of the County Assembly. However, records made available for audit to support the various claims by the Members of the County Assembly did not include ownership documents on motor vehicles reportedly used by the MCAs. In addition, the claims paid exceeded the limit set by the Salary and Remuneration Commission's (SRC) as they were based on the number of journeys each claimant reportedly made to his or her County Ward, contrary to the SRC circular which sets the maximum amount payable per month at Kshs.39,528. The excess/irregular payments amounted to Kshs.15,541,558.

1.5. Procurement of Goods and Services

1.5.1 Purchase of Motor Cycles

The County Assembly set a budget of Kshs.5,000,000 for procurement of motor cycles but spent Kshs.6,682,905 and thus incurred an over-expenditure amounting to Kshs.1,682,905. The management did not provide a satisfactory explanantion for the over-expenditure.

1.5.2 Purchase of Furniture

Records made available for audit revealed that during the year under review, the County Assembly purchased items of furniture from a supplier at a total cost of Kshs. 5,036,000 against a budget of Kshs.2,100,000 and thus overspent on the item by Kshs.2,936,000. Delivery notes were not attached to payment vouchers presented for audit in relation to this expenditure and further, Local Purchase Orders (LPO) indicated that the xpenditure related to 'assorted items'.In the circumstances, it was thus not possible to confirm the specific items delivered by the supplier and as a result the propriety of the expenditure totalling Kshs.5,036,000 reported to have been incurred on purchase of various items of furniture could not be confirmed.

1.5.3 Purchase of Photocopier, Laptops, Desk Tops and Ipads

Records presented for audit revealed that the County Assembly budgeted for purchase of a photocopier, laptops, desk tops and Ipads at a total cost of Kshs.3,500,000 against a budget of Kshs 2,500,000 and thus over spending the budget for the item by Kshs1,000,000. Apparently, the management had not prequalified suppliers for the photocopiers, laptops, desk tops and Ipads. Further, registration documents for the firm contracted to supply laptops and Ipads at a cost of Kshs.3,500,000 indicated that it was registered as a building construction company. No explanation was provided for the

unauthorized expenditure and the appointment of a construction company to supply laptops and Ipads.

1.5.4 Construction of County Assembly's Administration Block

Records made available for audit revealed that the County Assembly incurred expenditute totalling Kshs.32,537,241 paid to a contractor to build an adminstration building for the Assembly at a total cost of Kshs.35,793,858. Documents on the procurement of the construction services (including tender and award) were not presented for audit. The County Assembly management explained that the County Executive procured and paid for the services on behalf of the Assembly. In the absence of vital records on the appointment of the contractor, it was not possible to ascertain whether the County Executive procured the services as stipulated in the Public Procurement Regulations.

1.5.5 Procurement for Supply, Delivery and Commissioning of Harnsard Conference System

Records made available for audit revealed that during the year under review, the County Assembly procured a conference communication system and refurbished the Assembly's Chambers to suit a modern sitting arrangement at a cost of Kshs.16,669,000. Payments amounting to Kshs.16,669,000 were made to the supplier by the County Executive on behalf of the Assembly. However, documents to show how the vendor was appointed were not presented for audit and in the circumstances, it was not possible to confirm whether the appointment was done competitively.

1.6 Expenditure on Kenya Week in France

During the year under review, the County Assembly spent a total of Kshs.9,011,098 on foreign travel to France. However, quotations for air tickets, and hire of training venues and consultants, signed expenditure schedules for sitting allowances paid to Members of County Assembly and staff on the trip, reports on outputs and outcomes of the trainings, minutes of meetings held by the Members of County Assembly and signed workshop attendance registers were not presented for audit to support the expenditure.

In the circumstances, the propriety of the expenditure totalling to Kshs.9,011,098 incurred on the trip to France could not be confirmed.

FCPA Edward R.O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

27 September 2016

1.0 DETAILED FINDINGS

1.1 Budget Utilization Analysis

During the year under review, the County Assembly of Tana-River allocated a total budget of Kshs.534,634,720, comprising Kshs.122,500,000 for development vote and Kshs.412,134,720 for recurrent vote.

The budget absorption was as follows:

Item	Budgeted Allocation 2014/2015 (Kshs).	Actual 2014/2015 (Kshs)	Under Absorption	Under-absorption as a ratio % of the Vote	As ratio of Total Expenditure
Recurrent	412,134,720	398,034,391	14,100,329	97%	80%
Development	122,500,000	98,396,826	24,103,174	80%	20%
Total	534,634,720	496,431,217	38,203,503	93%	100%

The Assembly spent Kshs.496,431,217 out of the total budget of Kshs.534,634,720 resulting to an under expenditure of Kshs.38,203,503 or 7%. The Management has not explained the failure to utilise all the funds budgeted and allocated during the year. Consequently the under absorption of funds may impact negatively on delivery of goods and services and the development agenda for residents of Tana River County.

1.1.1 Development Vote

During the year under review, the County Assembly approved a development vote budget totaling Kshs.122,500,000 but spent Kshs.98,396,826 only resulting in an under expenditure of Kshs.24,103,174 or 20% as analyzed in the table below:

Development Vote	Total Budget (Kshs)	Actual Expenditure (Kshs)	Under Absorption (Kshs)	Over Absorption (Kshs)	% Variation
Construction of Buildings	83,000,000	35,793,858	47,206,142	-	57
Refurbishment of Buildings	10,00,000	24,692,370	-	14,692,370	(147)
Purchase of Vehicles and other Transport Equipment	0	16,205,598	-	16,205,598	(100)

Purchase of Household Furniture and Institutional Equipment	0	5,036,000.00	-	5,036,000	(100)
Purchase of Hansard Equipment	17,000,000	16,669,000	331,000	-	2
Installation of CCTV and Store Construction.	7,500,000	0	7,500,000	-	100
Designing and Commissioning of Assembly Web site	5,000,000	0	5,000,000	-	100
Total	**122,500,000**	**98,396,826**	**60,037,142**	**35,933,968**	**20**

As the table shows, under-expenditure totaling Kshs.60,037,142 was reported on five development vote items. However the management did not provide plausible reasons for the under-expenditure. Failure to utilize allocated funds denied the Members of the County Assembly assets and infrastructure they required to serve the residents of Tana River County.

Further, three (3) items reflected over-expenditures totaling Kshs.35,933,968 or 29% of the respective budget but no evidence was presented to show that the excess expenditure was approved by the Assembly, and no plausible explanation was given by management on how it was incurred. As a result the propriety of the over-expenditure totaling Kshs.35,933,968 could not be ascertained.

Recommendation

The County Assembly management should spend all funds voted for development projects in the respective year as required in the Public Finance Management Act, 2012. Further, for funds not utilized or development projects not undertaken as planned, the officers responsible for execution of the budget should be held liable for the delays.

1.1.2 Recurrent Vote

During the financial year 2014/2015, the County Assembly's Recurrent Vote budget amounted to Kshs.412,134,720. However, the Assembly spent a total of Kshs.398,034,391 on its recurrent programs and activities during the year and hence reported a budget surplus of Kshs.14,100,329 or 3.4% of the Vote as analyzed in the table below:

Item	Total Budgeted (Kshs)	Actual expenditure (Kshs)	Under Absorption (Kshs)	Over Absorption (Kshs)	% Variance
RECCURRENT	-	-	-	-	-
Personnel Emoluments	218,621,256	201,948,852.75	16,672,403	-	8
Utility and Supplies	7,570,000	5,087,495.96	2,482,505	-	33
Communication, Supplies and Services	2,432,000	3,425,313.00	-.	993,313	(41)
Domestic travel	46,267,800	76,003,198.00	-	29,736,198	(64)
Foreign Travel	28,000,664	9,267,898.00	18,732,766	-	67
Advertising & Awareness	838,000	1,460,443.00	-	622,443	(74)
Rentals of Productive Assets	5,235,000	12,949,160.00	-	7,714,160	(147)
Training Expenses	15,680,000	16,925,075.00	-	1,245,075	(8)
Hospitality Supplies	23,190,000	19,568,768.00	3,621,232	-	16
Insurance Costs	13,840,000	8,525,383.00	5,314,617	-	38
Specialized Materials and Supplies	1,510,000	1,048,368.00	461,632.00	-	30.57
Fuel Oil and Lubricants	4,380,000	6,046,904	-	1,666,904	(38)
Other Operating Expenses	16,430,000.	9,832,770	6,597,230	-	40
Office and General Supplies	6,540,000	3,908,579	2,631,421	-	40
Routine maintenance-vehicles and Other Transport Equipment	6,500,000.	4,273,728	2,226,272	-	34.25
Routine Maintenance-other assets	2,600,000	2,335,595	264,405	235,595	10
Purchase of Office Furniture and Fittings	12,500,000	15,426,860	-	2,957,712	(24)
Total	**412,134,720**	**398,034,391**	**59,004,483**	**45,171,400**	**3.4**

As the table shows, over-expenditure totaling to Kshs.45,171,400 or 11% of the Recurrent Vote was reported in relation to eight (8) items. However, approvals for the over-expenditures were not presented for audit and the propriety of the expenditure could not therefore be confirmed. Also, under expenditure totaling to Kshs.59,004,483 was reported on 10 (ten) items or 14.3% of the recurrent budget. Failure by the management to utilize voted funds denied the Members of the County Assembly facilities and services intended for their use in advancing the development agenda of Tana-River County.

Recommendation

The County Assembly management should adhere to budget ceilings and spend all funds voted as planned in the approved budget. The Officers who incurred the excess expenditure should be held accountable for the excess vote.

1.2 Salaries to Ward Staff

Records made available for audit revealed that during the year under review, the County Assembly spent a total of Kshs.10,159,229 on salaries paid to staff appointed and deployed in the Wards. However, the payments were not supported with the names of the payees, their designations and information on the manner of their appointment. Further, the County Assembly's staff recruitment and remuneration policy manual were not made available for audit and as a result, it was not possible to confirm how pay for the staff was determined.

Recommendation

The County Assembly management should present for audit review documents to support salaries totaling Kshs.10,159,229 paid to staff appointed to work in the County's Wards or the respective members of County Assembly be surcharged for the expenditure. In addition, the management should in future only incur expenditure in the manner provided for in government financial regulations and procedures.

1.3 Group Personal Insurance

Records made available for audit revealed that the County Assembly paid an insurance service provider a total of Kshs.8,491,383 in respect of health insurance policy contract. The County's recurrent budget had provided for Kshs.6,690,000 for expenditure on insurance services resulting in an over expenditure of Kshs.1,801,383. In addition, tender documents presented for audit reflected a contract sum of Kshs.7,924,308 in relation to the contact awarded to the firm. Further, other records indicated that the County Assembly made cash refunds for medical expenses amounting to Kshs.567,091 reportedly incurred by the intended beneficiaries of the insurance cover as insurance premiums paid under the contract were supposed to cover the beneficiaries. Details on the refunds are shown in **Appendix I** of this report.

Recommendation

The management should adhere to Section 5.1.2 of Government Financial Regulations and Procedures which require Accounting Officers to incur expenditure within the limits authorized in the budget. The management should seek approval from the County Assembly for the excess expenditure totaling Kshs.1,801,383 and refunds amounting to Kshs.567,091 made to various claimants, or the Accounting Officer should be surcharged for the sum of Kshs.2,368,474. In addition the management should explain why the refunds totaling Kshs.567,091 were made to claimants in spite of the insurance cover contracted at a cost of Kshs.8,491,383.

1.4 Mileage Allowances

Records made available for audit indicated that during the year under review ,the County Assembly paid out a total of Kshs.23,123,695 in mileage allowance claims lodged by Members of the County Assembly. However, documents attached to the payment vouchers indicated that the MCAs used hired motor vehicles but did not own the vehicles used in their journeys.

In addition, the MCAs calculated their claims based on the number of journeys they had reportedly made to their respective wards. This was contrary to the Salaries and Remuneration (SRC) Circular Ref. SRC/TS/CGOVT/3/16 of 15th November 2013 on remuneration and benefits for Members of County Assemblies which limits the maximum amount payable to each MCA per month at Kshs.39,528. The Circular further defines how mileage allowances for travel by MCAs to locations longer than 90 kilometers in distance are to be determined. However, the County Assembly management paid claims on the journeys made without taking into account the limits set in the circular. The allowances rightfully due totaled to Kshs.7,582,137 and not the sum of Kshs.7,959,421 paid. As a result of the overpayments, the item recorded an over-expenditure amounting to Kshs.15,541,558 as shown in **Appendix II** of this report.

Recommendation

The County Assembly management should adhere to regulations stipulated by the SRC on remuneration and benefits for Members of County Assembly. Further, the management should recover the overpayment of Kshs.15,541,558 paid to Members of the Assembly.

1.5 Procurement of Goods and Services

1.5.1 Purchase of Motor Cycles

Records made available for audit revealed that the County Assembly budgeted to spend Kshs.5,000,000 on purchase of 15 motor cycles, but instead incurred expenditure totalling to Kshs.6,682,905. Therefore, over-expenditure by the Assembly overspent on this item amounted to Kshs.1,682,905. In addition,the motorcycles were not issued for use upon purchase but were found lying in the yard many months after they were procured thus casting doubt on whether the County Assembly needed to buy them in the first place.

Further, registration documents presented for audit were for only eight(8) out of the 15 motor cycles purchased. Logbooks for the remaining seven (7) were not presented for audit examination and as a result, it was not possible to confirm whether they were registered as property of the County Assembly.

Recommendation

The management should adhere to Section 5.1.2 of Government Financial Regulations and Procedures which requires Accouting Officers to observe expenditure limits set in the budget. Further, the management should present for audit review documentary

evidence showing that all the 15 motor vehicles are owned by the County Assembly and Approvals for the excess expenditure totalling to Kshs.1,682,905.

1.5.2 Purchase of Furniture

Records made available for audit revealed that the County Assembly purchased various items of furniture from a vendor at a cost of Kshs.5,036,000 against a budget of Kshs.2,100,000 and thus overspent above the budget by Kshs.2,936,000. Delivery notes were not attached to the documents presented for audit verification and futher, the respective Local Purchase Order (LPO) reffered to 'assorted items' but did not specify the items to be delivered by the vendor. In view of these anomalies, the propriety of the expenditure totalling Kshs.5,036,000 incurred on purchase of furniture could not be confirmed.

Recommendation

The management should adhere to Section 5.1.2 of Government Financial Regulations and Procedures which require Accounting Officers to observe expenditure limits set in the budget. In addition, the management should present for audit review approval for the excess expenditure totaling Kshs.2,936,000 failure to which the Accounting Officer should be surcharged for the unauthorized expenditure. Further, the management should present for audit verification documentary evidence specifying the items valued at Kshs.5,036,000 that the vendor delivered to the Assembly.

1.5.3 Purchase of Photocopier, Laptops, Desk Tops and Ipads

Other expenditure records presented for audit inidcated that the County Assembly budgeted for the purchase of a photocopier, laptops, desk tops and Ipads at a total cost of Kshs.3,500,000 against a budget of Kshs.2,500,000 and thus exceeded the budget by Kshs.1,000,000. There was no evidence to show that the Assembly had constituted a list of prequalified suppliers for the photocopiers, laptops, desk tops and Ipads. It was not clear how the winning supplier was identified as the Assembly did not provide the prequalification list that was relied on. The Nairobi-based vendor offered to supply these items at a cost of Kshs.3,500,000 and yet the supplier's registration documents indicated that the firm was a registered building contractor and not a supplier of computers and related items.

Recommendation

The County Assembly management should adhere to Section 5.1.2 of Government financial regulations and procedures which require Accounting Officers to incur expenditure only as provided for in their respective budgets. Management should therefore provide proof of approval for the excess expenditure totalling Kshs. 1,000,000 failure to which the Accounting Officer should be surcharged for the expenditure. Further, the management should explain how the supplier for the office equipment items valued at Kshs.3,500,000 was appointed contrary to the Public Procurement and Disposal Act, 2005 on prequalification of suppliers.

1.5.4 Construction of County Assembly's Administration Block

Records made available for audit revealed that the County Assembly made payments totalling Kshs.32,537,241 to a local contractor in relation to the tender for construction of the Assembly's administration block contracted at a cost of Kshs.35,793,858. Retention fees totalling Kshs.2,237,394 was set aside and Value-added-tax (VAT) totalling Kshs.929,223 was shown in records as having been paid to the authorities. The Assembly explained that the procurement process including the tendering and award was carried out by the County Executive who in addition reportedly made all payments on behalf of the Assembly. However, the Executive did not submit the relevant documents for audit. The construction was however completed and the building put to use.

Although bills of quantities and copies of interim certificates were presented for audit review, it has not been possible to confirm how the contractor was appointed and whether the Assembly adhered to public procurement regulations.

Recommendation

The County Assembly management should submit for audit evidence to confirm that the the contractor was appointed in accordance with the requirements of the Public Procurement and Disposal Act, 2005 and related regulations.

1.6 Procurement for Supply, Delivery and Commissioning of Harnsard Conference System

Information presented for audit indicated that the County Assembly spent a total of Kshs.16,669,000 to refurbish the County Assembly's chambers to suit a modern sitting arrangement. However, tender documents, were not presented for audit review and as a result it was not possible to confirm that the expenditure totalling Kshs.16,669,000 was a proper charge to public funds.

Recommendation

The County Assembly management should adhere to the provisions of the Public Procurement and Disposal Act, 2005 and the requirements of the National Construction Authority Act, 2011 while procuring construction and other services. Further, the management should present for audit review documents in support of the procurement process for the contract valued at Kshs.16,669,000, failure to which the Accounting Officer should be held liable for the missing information.

1.7 Expenditure on Kenya Week in France

During the year under review, the County Assembly of Tana-River spent a total of Kshs.9,011,098 on foreign travel to France for Members of the County Assembly to attend the Kenya Week festival in France. However, quotations for air tickets, hire of training venues and consultants, signed expenditure schedules for sitting allowances paid to the MCAs and staff, reports on the benefits derived from the training sessions attended were not made available for audit review. Minutes of meetings held by the

Members of County Assembly while away on the trip and signed meeting/workshop attendance registers were also not presented for audit.

In the circumstances, the propriety of expenditure totalling Kshs.9,011,098 incurred on foreign travel to France for the Kenya Week festival could not be confirmed.

Recommendation

The management should adhere to government financial regulations and procedures on expenditure of public funds. Further, the management should present evidence to support the expenditure totalling Kshs.9,011,098 or the allowances should be recovered from the respective beneficiaries.

Conclusion

The Tana-River County Assembly should address the anomalies noted in this report to ensure effective delivery of services to the people of Tana-River County. Further, laid down Government procedures and regulations should be followed to ensure public resources are only used for the purposes for which they were intended.

FCPA Edward R.O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

27 September 2016